65 through col. 4, line 13) in the vertical blanking interval of an outgoing video signal transmitted form a first location (headed) (col. 3, lines 4-35, col. 3, line 65 through col. 4, line 13), said outgoing video signal having a carrier (broadcast channel) (col. 3, line 65 through col. 4, line 13); receiving at a setup terminal 20 said out-going video signal (col. 3, line 65 through col. 4, line 13). Michaud differs from claim 13 of the present invention in that it does not explicitly disclose transmitting a return signal on said carrier of said out-going signal. However, Michaud discloses the set top terminal has a transmitter which permits transmission of communication upstream to the headend if interactive communication are desired (col. 3 lines 35-45). Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made for transmitting a return signal on said carrier of said out-going signal in order to inform the headend that the consumer would like to purchase a pay-per-view event.

With respect to claim 14, the Examiner states that Michaud discloses transceiver (receiver/transmitter) (fig. 3 number 115 and 103) for use in a wireless digital communication system (fig. 1) comprising: a receiver for receiving message information encoded in the vertical blanking interval of a video signal having a carrier (col. 3, line 65 through col. 4, line 13). Michaud differs from claim 14 in that it does not explicitly disclose a transmitter for transmitting message information on the carrier of the video signal. However, Michaud discloses a set top terminal that has a transmitter which permits transmission of communication upstream to the headend if interactive communication is desired (col. 3, lines 35-45). Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to have a transmitter for transmitting message information on the carrier of the video signal in order to inform a headend that the consumer would like to purchase a pay-per-view event.

Applicants respectfully traverse the rejection of claims 13 and 14. As the Examiner

recognizes, Michaud fails to disclose a transmitter for transmitting message information on the carrier of the video signal. The Examiner refers to transmitter 103 and concludes that it would have been obvious to transmit message information on the carrier of the video signal. However, Michaud does not even suggest the transmission of message information on the carrier of the video signal. In fact, the transmitter 103 appears to transmit on the out-of-band control data channel (CDC). As shown in Fig. 2 of Michaud, data is received by the headend from the CATV network only on the Control Data Channel. The arrow from the data inserter 114 (which inserts data into the VBI of the video signal) to the CATV network is unidirectional. The arrow to/from the data transceiver 112 (which sends and receives data on the CDC) is bi-directional. In the set top terminal, the transmitter 103 is coupled with data receiver 115, which receives out-of-band data on the CDC (see col. 3, lines 39-45). The foregoing clearly contemplates a transmitter 103 that transmits data on the CDC, not on the carrier of the video signal.

The Examiner provides no suggestion or motivation to modify Michaud so that data is transmitted from the set top terminal on the carrier of the video signal instead on the CDC. The Examiner implies that the desirability of informing the headend that the consumer would like to purchase a pay-per-view event would motivate one of ordinary skill to transmit information on the carrier of the video signal. It is submitted that any desirability of such a feature would only motivate one of ordinary skill to use the existing structure of Michaud to transmit such information on the CDC. To transmit on the carrier of the video signal would require substantial modification of the set top terminal of Michaud, including not only changes to the transmitter but also modifications to prevent interference with the received video signal.

In view of the above, Applicants submit that each of the Examiner's rejections has been overcome and claims 13 and 14 define patentable subject matter. It is therefore submitted that the

application is in condition for allowance. Reconsideration of the rejections and reexamination is requested. Allowance of claims 13 and 14 at an early date is solicited.

If, for any reason, the Examiner is unable to allow the application on the next Office Action and feels that an interview would be helpful to resolve any remaining issues, he is respectfully requested to contact the undersigned attorney at (312) 372-2000.

Respectfully submitted,

Joseph H. Paquin, Jr.

Reg. No. 31,647

Dated: April 14, 2004

McDermott, Will & Emery Attorney for Applicant 227 West Monroe Street Chicago, Illinois 60606-5096 (312) 372-2000